

Walterboro City Council
Regular Meeting
July 12, 2011

MINUTES

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, July 12, 2011 at 6:15 P.M., with Mayor Bill Young presiding.

PRESENT WERE: Mayor Bill Young, Council Members: Paul Siegel, Dwayne Buckner, Charles Lucas, Randy Peters and Bobby Bonds. City Manager Jeff Lord, City Clerk Betty Hudson, and City Attorney George Cone were also present. Council Member Tom Lohr was absent. There were approximately 32 persons present in the audience.

There being a quorum present, Mayor Young called the meeting to order and welcomed everybody to the meeting. He commented that it was good to see such a good crowd and family and friends present on behalf of our new Council Members and the new Public Safety Officers who were also present. The Mayor then gave the invocation, and Council Member Peters led the pledge of allegiance to our flag.

Mayor Young thanked all city employees and staff for all the hard work that they do. He stated, we don't always take the time to say, thank you, but we do appreciate all that you do and we appreciate what you do for the citizens of Walterboro.

The Mayor also recognized City Manager Jeff Lord who has recently received the Credentialed Manager designation by the International City/County Managers Association. To have this designation, a person needs significant experience as a senior management executive in local government, to have earned a degree in public administration or related field and demonstrated commitment to high standards of integrity and lifelong learning in professional development. He is one of only 19 people in South Carolina to receive this certification. Jeff has also been appointed to the ICMA Graduate Education Advisory Board.

SWEARING-IN OF NEWLY ELECTED COUNCIL MEMBERS:

Next, reelected Council Member Randy Peters and newly elected Council Members Bobby Bonds and Paul Siegel were sworn into office by the City Attorney George Cone.

Council Members Peters, Bonds and Siegel were then seated on Council and congratulated by the Mayor and Council.

PUBLIC INPUT ON AGENDA ITEMS:

No public comments on agenda items were given.

PRESENTATION:

1. New Public Safety Officers Introductions

Chief Otis Rhodes then recognized and introduced newly hired Public Safety Officers Jacob O'Quinn, Kenyatta Jenkins, Brian Ackerman and Brandon Craven.

REQUEST FOR APPEARANCE:

1. Gary W. Pollard - Combining Walterboro Police Department with Colleton County Sheriff's Office

Mr. Gary Pollard appeared before Council asking Council to consider combining the Walterboro Police Department with the Colleton County Sheriff's office. Mr. Pollard stated that he felt the Walterboro Police Department does not have adequate resources to effectively handle the large amount of crime that exists in our town. In my opinion, he said, we need a bigger, more effective police agency. So, my suggestion comes in three parts.

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1. Showing that excessive crime exists. As the owner of GWP Auto Sales, located at 232 S. Jefferies Blvd. in Walterboro, Mr. Pollard gave examples of his own recent experiences of thefts and burglaries at his store, which were:
 - May \$18,000 in uninsured losses from 3 burglaries.
 - April \$7,800 in uninsured losses from 2 burglaries.
 - March- 3 lossesThese losses would bankrupt most businesses. I am not the only business suffering from burglary losses. My latest burglary was on Friday, so we have a tremendous burglary and theft problem in Walterboro.
2. Giving examples of what happens when small city police departments merge with Sheriff's offices. Mr. Pollard moved to Walterboro 4 years ago from Broward County, Florida. He said, in 1980 there were 13 cities and 13 police departments in Broward County. Today, there are two police departments in Broward County. The other 11 cities have contracted and merged with the Broward Sheriff's Office. It was Mr. Pollard's opinion that not one city has regretted this merger. He said that every city has found an improved level of service, faster response times and reduced costs. Every one of these cities that merged with the Broward County Sheriff's Office is still being served by this office. Not one has chosen to go back and rehire or reform a police department. So, I don't see any reason not to expect a similar success if you consider merging with the Colleton County Sheriff's Office.
3. Specific issues with the Walterboro Police Department and Colleton County Sheriff's Office Merger
Mr. Pollard stated that potential gains of this merger are: 1) an immediate increase in the number of officers and detectives on duty all times; 2) a significant elimination of duplicate costs, and 3) a better response time. The elimination of duplicate costs allows the dollars to hire even more officers to join an even larger and more effective police agency.

Concluding his presentation, Mr. Pollard asked Council to objectively and without personal prejudice to consider this opportunity to reduce our excess crime problem. He said, we have a huge crime problem in the South Jefferies Boulevard area. My business is like a magnet for every crack head that needs to steal something. I have a used car business and I seem to attract quite a low class of people there.

Mayor Young then entertained a motion to accept Mr. Pollard's comments as information. Said motion was made by Council Member Lucas, seconded by Council Member Peters and passed unanimously, except Council Member Lohr was absent and did not vote.

OLD BUSINESS:

There was no Old Business before Council.

NEW BUSINESS:

1. Nomination of Mayor Pro-Tem

Council Member Peters nominated Council Member Lucas as Mayor Pro-Tem. Council Member Siegel seconded the motion. Council Member Buckner then nominated Council Member Peters as Mayor Pro-Tem. No second was received and the motion died for lack of a second. Council Member Lucas then moved that the nominations be closed. Council Member Peters seconded the motion. Council approved unanimously to close the nominations and to elect Council Member Charles Lucas as Mayor Pro-Tem. Council Member Lohr was absent and did not vote.

2. Ordinance # 2011-10 (First Reading)

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The Mayor then recognized Finance Director Dennis Averkin and Bond Attorney Margaret Pope to introduce and explain the refinancing of the bonds.

Mr. Averkin passed out a detailed summary sheet showing all proposed outstanding debt to be refunded by bond refinancing. Based on his discussions with some of the banks, Mr. Averkin reported that the City has a potential to obtain a lower interest rate by refinancing some of its current revenue bonds and general obligation bond. Ms. Pope told Council that each of the ordinances provides that we would not sell the refunding bonds unless we believe there is sufficient savings. This, in no way, increases your obligation. We will not do this unless your annual payment is less, and this is after you pay for the cost of refinancing the bonds. We don't know what the rates are going to be. Ms. Pope also gave a brief explanation on how the bond refinancing would be handled.

A motion was made by Council Member Lucas, seconded by Council Member Peters, giving First Reading Approval to Ordinance # 2011-10, being:

An Ordinance Providing for the Issuance and Sale of a Tax Increment Refunding Revenue Bond, Series 2011, of the City of Walterboro, South Carolina, and Other Matters Relating Thereto.

In discussing the motion, Council Member Buckner asked Ms. Pope to explain the term "refunding" means verses the term "refinancing." Ms. Pope responded that this really means the same thing. In bond terms, we use more of the word "refunding." Refinancing is exactly the same thing. Council Member Buckner then asked what was the average interest rate of all the bond issues for the City. Mr. Averkin responded that they ranged between 4% and 4.1%. Based on conversations we had with the banks this Friday past, the rates are about 3.1%. So we are looking at saving about .7 of 1%. Based upon that information, we would save about \$150,000 over the life of the loans.

Council Member Siegel asked, do you have any opinion as to the actual tipping point right now, in your opinion, as to when it would be worth the trouble to refinance? It sounds like there is about a 3% expense to do the deal. Ms. Pope felt that her fees could be done fairly cheaply. She stated that the banks sometimes charge a loan origination fee. What we will do is to take all of that in account, issue by issue. There's got to be a sufficient savings after you pay those fees for this to work.

Council Member Siegel asked if Council would have an opportunity before Second Reading of the ordinances to analyze the figures on the savings expected. Dennis Averkin noted that the plans are to return to Council with calculated tables showing the savings for refinancing the bonds. On a question raised by Council Member Peters, Mr. Averkin and Ms. Pope noted that the terms of the bonds would not be extended. Ms. Pope said, we will be looking at two things; 1) not extending the term dates and 2) looking at the savings, the net of what it costs.

The motion for First Reading Approval of Ordinance # 2011-10, then passed with all members voting in favor, except Council Member Lohr was absent and did not vote.

3. Ordinance # 2011-11 (First Reading)

A motion was made by Council Member Peters, seconded by Council Member Lucas, giving First Reading Approval to Ordinance # 2011-11, being:

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An Ordinance Providing for the Issuance and Sale of a Waterworks and Sewer System Refunding Revenue Bond, Series 2011, of the City of Walterboro, South Carolina, and Other Matters Relating Thereto.

In discussing the motion, Council Member Buckner asked if there were any prepayment penalties with the refinancing or refunding. Ms. Pope noted there was a 1% penalty on the outstanding principal on the G.O. bonds, which are held by a bank. If we refund with that bank, we will ask them to waive the penalty.

The motion to approve Ordinance # 2011-11 then passed with all members voting in favor, except Council Member Lohr was absent and did not vote.

4. Ordinance # 2011-12 (First Reading)

A motion was made by Council Member Lucas, seconded by Council Member Peters, giving First Reading Approval to Ordinance # 2011-12, being:

An Ordinance Providing for the Issuance and Sale of a Hospitality Tax Revenue Bond, Series 2011, of the City of Walterboro, South Carolina, and Other Matters Relating Thereto.

On a question raised by Council Member Buckner, Finance Director Averkin and Attorney Margaret Pope briefly explained how the hospitality tax revenue will be used as security for this bond.

Council Member Siegel asked if this refinancing impacts the City's bonding capacity. Ms. Pope noted that none of these would impact the city's bonding capacity. These do not count against your 8% general obligation debt limit. However, with the G.O. bonds, you are pretty much at your G.O. debt limit. Council Member Siegel then asked whether undoing the lease purchase would in fact, put it in the general obligation debt limit. Ms. Pope affirmed that this would not be counted under the general debt obligation limit. She affirmed that the only thing pledged here is the hospitality tax.

The motion giving First Reading Approval to Ordinance # 2011-12 then passed with all members voting in favor, except Council Member Lohr was absent and did not vote.

5. Consideration of Establishing an Annual City of Walterboro Citizen of the Year Award with the Recipient Receiving a Red Rocking Chair, Courtesy of the City

A motion was made by Council Member Buckner to establish the City of Walterboro Annual Citizen of the Year Award with the Recipient Receiving a Red Rocking Chair, Courtesy of the City.

Mayor Young asked is it also your intent to also devise the means by which that person will be selected. Mr. Buckner then agreed to add to this motion . . . "that the City Manager, his staff or City Council would come up with a way to determine how the recipient would be selected." Council Member Siegel seconded the motion.

Further discussion was held. Council Member Buckner explained that he had requested that this be placed on the agenda after going to the last municipal conference. There was a feeling in that conference that we as a municipality should highlight and recognize our citizens for the work that they do in the community. I thought that this would be a good idea for the city to recognize once a year a citizen

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that lives in the city that has worked hard and put forward an effort and should be honored for their service to the City of Walterboro. Council Member Siegel then asked, do we have any present situation or way to recognize those people. How do we do it, because I don't know?

Mr. Buckner responded, my thought was just to establish the award and we could figure out the details later. I had an idea that each commission or board that we have in the city could come up with a name for recognition.

In answer to Mr. Siegel's question, Council Member Peters pointed out that Council presents a lot of proclamations to citizens who are being recognized in the city for their accomplishments.

The motion was then approved with all members voting in favor, except Council Member Lohr was absent and did not vote.

There being no further business, a motion to adjourn was made by Council Member Lucas, seconded by Council Member Peters and passed unanimously. The Mayor adjourned the meeting at 7:04 P.M. Notice of this meeting was distributed to all local media and posted on the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson
City Clerk

APPROVED August 9, 2011